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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/852,222	05/09/2001	Roger Alcala	3109/IG960 US1	4229

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EXAMINER

FELTEN, DANIEL S

ART UNIT

PAPER NUMBER

3693

SHORTENED STATUTORY PERIOD OF RESPONSE	MAIL DATE	DELIVERY MODE
3 MONTHS	04/05/2007	PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

If NO period for reply is specified above, the maximum statutory period will apply and will expire 6 MONTHS from the mailing date of this communication.

Office Action Summary

Application No.

09/852,222

Applicant(s)

ALCALY ET AL.

Examiner

Daniel S. Felten

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE _____ MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 12 January 2007.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-13, 16-19, 22, 23, 25, 26, 31 and 32 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-13, 16-19, 22, 23, 25, 26, 31 and 32 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

1. Receipt of Applicant's response filed January 12, 2007 is acknowledged.
2. This is a Supplemental Office Action to the April 21, 2006 Office Action and the Interview Summary November 16, 2006 to address the remarks made in applicant's July 20, 2006 response.

Response to Arguments

3. Applicant's arguments filed July 20, 2006 have been fully considered but they are not persuasive. It is respectfully submitted that references, in determining obviousness are not read in isolation, but for what they fairly teach as a whole. Also that references are evaluated by what they suggest to one versed in the art, rather than their specific disclosure [see *In re Bozek*, 163 USPQ 545 (CCPA 1969)]. In this case, the primary reference Melnikoff discloses a portfolio selector for selecting an investment portfolio from a library of assets based on an investment risk.

The secondary reference, Sperando, teaches combination of "traditional" and "non-traditional" portfolio components to provide an "efficient frontier" or swap instrument which provides the benefits of exposure to a benchmark index, as well as a commodity index (see Sperando, column 2, lines 45+). The 103 rejection set forth provided reasoning for the combination of references and resolve the level of ordinary skill in the art. In response the examiner respectfully submits that Melnikoff failure to show generating a rule to determine a position of each asset at time t or determining the position for each of the assets at time t in accordance with the rule was addressed in the previous action. In the action it was asserted that it would have been obvious for an artisan at the time of the invention to integrate the financial instrument of Sperando along with the features of Melnikoff because an artisan at the time of

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the invention of Melnikoff would have sought such an asset as part of Melnikoff's portfolio and have recognized the advantages of such an instrument in diversifying the asset allocation of the instrument and providing exposure to non-traditional equity investment benchmark index as well as a commodity index. Thus Sperandeo's instrument would provide Melnikoff with an risk-adjusted return that provided a more diversified field of investments. Thus Melnikoff would provide further options for the user to reduce risk to portfolio returns. Thus the rejections are maintained below.

Claim Rejections - 35 USC § 103

1. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

2. Claims 1-13, 16-19, 22, 23, 25, 26, 31 and 32 are rejected under 35 U.S.C. 103(a) as being unpatentable over Melnikoff (US 5,784,696) in view of Sperandeo (US 6,922,677).

Melnikoff discloses, as in claims 1, 3, 9, 22, 31, 32 a method and apparatus for generating an index of investment returns comprising steps of: selecting a representative set of assets, where said assets may be grouped into a plurality of assets (see Melnikoff, Abstract); and computing the index as a function of the returns for each class (see Melnikoff, Abstract, col. 11, 11. 17+),

as also in claims 9, 16, 17, 25, 26, determining a plurality of holding periods 182 (see Melnikoff fig. 5C)

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Re claims 2, 4, 23:

computing index further comprises the step of selecting weights such that each weight corresponds to one of said plurality of classes, and averaging the products of the return for each class multiplied by its corresponding weight (see Melnikoff, fig. 5C),

Re claim 5, selecting at least one asset from each of two commercial markets

(see Melnikoff, col. 7, 11. 29+), wherein the group of assets comprises at least one

Re claims. 28-33: a computer-readable medium encoded with processing

instructions to performing the method of the aforementioned claims above (see col. 7, 11. 15-25., col. 21 , 11. 48+)

Melnikoff fails disclose as in claims 1, 3, 7-9, generating a rule to determine the position of for each asset for time t, determining the position for each of said assets for said time t, determining a market price for each of said assets for said time t (see Melnikoff, Abstract), computing a return for each of said assets for said time t, said return being a function of the position and the market price determined in steps (c) and (d) (see Melnikoft Abstract), averaging the returns computed in step (e) for all the selected assets in each of said plurality of classes, the average of each of said classes is the return for that class.

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Sperando discloses a unitary investment having interrelated assets based upon the MLM and the S&P 500 indexes, where the MLM is referred to as the passive long and short commodity index (see Abstract, col. 2, ll. 45+; and col. 3, ll. 38+).

It would have been obvious for an artisan at the time of the invention to integrate the financial instrument of Sperando along with the features therein because an artisan at the time of the invention of Melnikoff sought such an asset as part of Melnikoff's portfolio would have recognized the advantages of such an instrument in minimizing risk by diversifying the asset allocation of the instrument. Thus providing the aforementioned features disclosed in Sperando into Melnikoff would provide an alternative to evaluate and manage asset portfolios based upon long and short positions expressed and to accurately direct and adjust the level of portfolio risk. Thus such a modification would have been an obvious expedient well within the ordinary skill in the art.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Daniel S. Felten whose telephone number is (571) 272-6742. The examiner can normally be reached on Flex.


If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Kramer can be reached on (571) 272-6783. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

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Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.



DSF
3/30/2007



Daniel S Felten
Examiner
Art Unit 3693